

# SAFE-BIDCO

## ENERGY EFFICIENCY IMPROVEMENTS LOAN APPLICATION

This application package has been provided to expedite the loan process. Additional information may be requested. Please review the program's terms and conditions on the back of this page. For prompt processing, it will be necessary to submit the following:

1. **Loan Request.**
2. **Project Summary.**
3. **Personal Financial Statement(s).** Complete for all owners, general partners or major (20%) stockholders. (These parties must personally guarantee this loan.) All statements are to be dated the same date, not over 45 days old. Copy form as needed.
4. **Business Debt Schedule.**
5. **Technical and Financial Data.** If the loan request is for no more than \$25,000, AND if all proposed energy measures are covered by a utility rebate or endorsement, you should attach the following:
  - A. A completed utility rebate request form or a letter of endorsement;
  - B. Project specifications;
  - C. Vendor's audit/proposal/bid;
  - D. The most recent business/agency tax return, including all schedules (for corporations or partnerships);
  - E. The most recent tax return, including all schedules, for each person defined in #3.
6. **Technical and Financial Data.** All applications not covered by #5 must include the following:
  - A. A comprehensive independent energy audit/feasibility study. (See attached format.) Include significant design criteria, specifications, complete plans and any equipment brochures;
  - B. Any related utility rebate/endorsement data;
  - C. Vendor's audit/proposal/bid;
  - D. A copy of any partnership agreements, articles of incorporation, by-laws and fictitious name filings;
  - E. Business/agency tax returns including all schedules, and financial statements, for the last two years and a current financial statement no more than 90 days old. Financial statements should include balance sheet and income statement;
  - F. Two years' tax returns, including all schedules, for each person defined in #3;
  - G. Copy of any lease or mortgage covering project site.

If you have any questions about this program, or would like assistance in completing this application, please contact our agency.



## SAFE-BIDCO

State Assistance Fund for Enterprise, Business and Industrial Development Corporation  
1211 N. Dutton Ave., Ste. D • Santa Rosa • California • 95401-4638  
(707) 577-8621 • (800)273-8637 • (707) 577-7348 FAX

# SAFE-BIDCO

## ENERGY EFFICIENCY IMPROVEMENTS LOAN PROGRAM

### Terms and Conditions

#### Who Can Apply?

California small businesses, some landlords, and non-profit organizations. In general, an applicant must not have a net worth in excess of \$6 million nor have average net income in excess of \$2 million.

#### What Can Loan Funds Be Used For?

Any project that: a) conserves energy equal to 15% of normal usage; or b) manages load, is eligible. Loan funds cannot be used for operating, maintenance, routine repair or fuel costs. The borrower must be the project's owner, operator and beneficiary. Loans can be used for retrofits or added energy-efficient measures in existing facilities, or to acquire certain equipment for a new facility. The project financed and its benefits must remain within the state.

#### What Are The Technical Requirements?

Each project submitted must have an analysis of its energy impact. For loans for no more than \$25,000, that involve only measures covered by a utility endorsement or rebate program, the utility's certification meets this requirement. For projects not receiving a utility rebate or endorsement, and for all loans over \$25,000, there must be an independent, site-specific, general energy audit. The audit should identify and verify energy uses and needs, evaluate the feasibility of all potential measures, and describe the planned project in detail. (See attached format.) Because many utility companies provide some types of audit at no charge, they may help meet this need. Certified energy managers and licensed engineers may also do this analysis.

#### What Costs Can Be Financed?

An applicant may borrow up to \$350,000 or ten times the amount of estimated annual savings, whichever is less. In some cases, loans may be combined with other financing. If a loan is approved, loan funds can be used for up to 100% of net (after rebates, discounts or other incentives) expenses for:

- 1) Energy studies and design and consultant fees;
- 2) Materials and equipment costs incurred after SAFE-BIDCO's acknowledgment of receipt of the application.

Interest Rate — 4.5%

Terms — Up to five years

#### What Loan Security Is Required?

Collateral will be required on all loans. Normally, the project itself will be adequate security for a loan to a well established, profitable business. (Landlords/mortgage holders must grant removal rights in most cases.) Loans to landlords to improve rental/investment properties must be secured by that real estate. Principals of a firm must guarantee the debt.

#### Loan Costs

Application Fee — \$100.00 is required with each application. This offsets some of the costs of processing and documentation. There are no "points" or other loan fees.

Other Costs — Some borrowers may incur charges by service providers for appraisals, inspections and documentation.

#### What Is The Process?

- 1) All applications are reviewed for project and borrower eligibility. Acceptable applications will be acknowledged within five working days.
- 2) Qualified requests will be evaluated for project technological and economic factors. An applicant's financial strength, credit history, ability to pay and collateral adequacy will be analyzed.
- 3) If approved, a conditional loan commitment will be issued.
- 4) When all conditions are met, including project completion, loan papers will be sent. Work must be done by licensed contractors. (Physical inspection by SAFE-BIDCO or an agent may also be required before funding.) (Applicants may appeal a denial by written request to the SAFE-BIDCO Board of Directors. Appeals will be considered at the next regularly scheduled meeting of the Board of Directors.)

#### Important Notice:

The eligibility requirements, terms, conditions and availability of funds for this program are subject to change. Applicants are encouraged to contact SAFE-BIDCO prior to submitting loan requests.

Send completed application to:  
For more information contact:

**SAFE-BIDCO**

1211 N. Dutton Ave. Suite D • Santa Rosa • California • 95401  
(707) 577-8621 • (800)273-8637 • (707) 577-7348 FAX

# LOAN REQUEST

**APPLICANT NAME** \_\_\_\_\_

Contact Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ Zip \_\_\_\_\_

Project Address \_\_\_\_\_ City \_\_\_\_\_ County \_\_\_\_\_

Phone \_\_\_\_\_ FAX \_\_\_\_\_ Tax ID # \_\_\_\_\_

Type of Business \_\_\_\_\_ Date Established \_\_\_\_\_

Corporation \_\_\_\_\_ Non-Profit \_\_\_\_\_ Partnership \_\_\_\_\_ Sole Proprietorship \_\_\_\_\_

Bank Reference \_\_\_\_\_ Telephone \_\_\_\_\_

Trade Reference \_\_\_\_\_ Telephone \_\_\_\_\_

Trade Reference \_\_\_\_\_ Telephone \_\_\_\_\_

Trade Reference \_\_\_\_\_ Telephone \_\_\_\_\_

**OWNERSHIP OF APPLICANT**

List below all owners, general partners and any stockholder(s) with 20% or more of total stock issued (does not apply to non-profits).

| NAME  | TITLE | % OF OWNERSHIP | ANNUAL COMPENSATION |
|-------|-------|----------------|---------------------|
| _____ | _____ | _____          | _____               |
| _____ | _____ | _____          | _____               |
| _____ | _____ | _____          | _____               |

**LOAN PURPOSE**

Summarize the purpose of the loan by describing the project's primary benefits and list the major components. (Do not enter "See Attached".)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**ESTIMATED PROJECT COSTS**

|   |             |       |
|---|-------------|-------|
| Audit/study/design                              | \$          | _____ |
| Acquisition of machinery/equipment/fixtures     | \$          | _____ |
| Installation costs                              | \$          | _____ |
| Other _____                                     | \$          | _____ |
| <b>TOTAL PROJECT AMOUNT</b>                     | <b>\$</b>   | _____ |
| <b>MINUS UTILITY REBATES</b>                    | <b>- \$</b> | _____ |
| <b>MINUS OTHER FUNDS TO BE USED FOR PROJECT</b> | <b>- \$</b> | _____ |
| <b>EQUALS TOTAL LOAN REQUESTED FOR PROJECT</b>  | <b>= \$</b> | _____ |

**COLLATERAL**

Summarize the collateral, existing or to be acquired, that you propose for this loan. If there are/will be any other loans/liens involving the collateral, attach a detailed explanation.

| ITEM         | VALUE    |
|--------------|----------|
| Project      | \$ _____ |
| Other: _____ | \$ _____ |

**LOAN REQUEST**

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**FACILITY DATA**

Landlord/Mortgage Holder \_\_\_\_\_ Telephone \_\_\_\_\_

Address \_\_\_\_\_

Maturity/Expiration date \_\_\_\_\_

**CERTIFICATIONS AND AUTHORIZATION TO RELEASE INFORMATION**

Are any legal actions pending against applicant or principals? \_\_\_\_\_ Have applicant or any principals formed a business which ceased to exist in less than two years; or filed bankruptcy or experienced foreclosure, repossession, debt judgment, or criminal penalty within the last seven years? \_\_\_\_\_ If yes to any of these questions, attach details.

Applicant hereby authorizes the release to SAFE-BIDCO of any and all information they may require at any time for any purpose related to our credit transaction with them. We further authorize SAFE-BIDCO to release such information to any entity they deem necessary for any purpose related to our credit transaction with them.

Applicant hereby certifies that the enclosed information (plus any attachments or exhibits) is complete, valid and correct to the best of our knowledge. We hereby acknowledge that all loan approvals will be in writing and subject to the terms and conditions set forth in a commitment letter signed by an officer of SAFE-BIDCO.

How did you learn about this program? \_\_\_\_\_

Applicant authorizes SAFE-BIDCO to use its name, address, and project information and photos to explain or promote the program. \_\_\_\_\_ Yes \_\_\_\_\_ No

**APPLICANT CERTIFIES AS FOLLOWS:** That the project construction to be financed has not commenced; that applicant will use loan proceeds only to construct the energy project described; that the applicant will comply with all applicable rules, regulations and laws; that applicant will obtain all applicable local, state and federal permits, approvals, and licenses and comply with their terms and conditions; that no loan funds will be used for working capital, stock in trade, or refinancing of existing debts; that undersigned is duly authorized to bind the applicant to repay this loan; that applicant employs \_\_\_\_\_ persons.

Applicant: \_\_\_\_\_

By: \_\_\_\_\_  
Signature Title

Date: \_\_\_\_\_

SAFE-BIDCO reserves the right to request additional information if deemed necessary.  
DO NOT FORGET TO ENCLOSE APPLICATION FEE OF \$100.00, PAYABLE TO SAFE-BIDCO.

APPLICANT NAME \_\_\_\_\_

### PROJECT SUMMARY

1. Indicate the measure(s) proposed for your project:

- \_\_\_ Lighting and controls: Workspace, display, security
- \_\_\_ Waste heat recovery: Water heating, space conditioning
- \_\_\_ Weatherization: Insulation, windows
- \_\_\_ Energy management systems: Controls, sensors, load management
- \_\_\_ Thermal Energy Storage
- \_\_\_ Cogeneration
- \_\_\_ Boiler, steam or water heating system upgrades
- \_\_\_ Pump, process or refrigeration system improvements
- \_\_\_ HVAC system upgrades
- \_\_\_ Alternate energy: Solar, wind, geothermal, biomass
- \_\_\_ Other: \_\_\_\_\_

2. Usable life expectancy: \_\_\_\_\_ Requested loan term: \_\_\_\_\_

3. Electric Utility: \_\_\_\_\_ Gas Utility: \_\_\_\_\_

Energy Auditor: \_\_\_\_\_ Engineer: \_\_\_\_\_

Equipment Dealer: \_\_\_\_\_ Contractor: \_\_\_\_\_

4. Total Project Costs \$ \_\_\_\_\_

5. Summarize the annual amount of purchased energy, or load, the proposed project will displace. (Do not enter "See Attached".)

|                      | Present Usage | - | Projected Usage | = | Units Saved | x | Price Per Unit | = | Dollar Savings |
|----------------------|---------------|---|-----------------|---|-------------|---|----------------|---|----------------|
| Electric (KWH)       | _____         |   | _____           |   | _____       |   | _____          |   | \$ _____       |
| Nat Gas (Therms)     | _____         |   | _____           |   | _____       |   | _____          |   | \$ _____       |
| Other (_____)        | _____         |   | _____           |   | _____       |   | _____          |   | \$ _____       |
| Total Annual Savings |               |   |                 |   |             |   |                |   | \$ _____       |

6. Simple-Payback-Period (SPP):

$$\frac{\text{Total Project Costs (4)}}{\text{Total Annual Savings (5)}} = \text{SPP} \quad \$ \text{_____} = \text{_____ years}$$

7. List all licenses/permits required for the project:

| Authority | Type  |
|-----------|-------|
| _____     | _____ |
| _____     | _____ |
| _____     | _____ |



# PERSONAL FINANCIAL STATEMENT

As of \_\_\_\_\_ 20\_\_\_\_

Complete this form for: (1) each proprietor, or (2) each limited partner, or (3) each stockholder holding 20% or more of voting stock and each corporate officer and director, or (4) any other person or entity providing a guaranty on the loan.

|                                     |                 |
|-------------------------------------|-----------------|
| Name                                | Business Phone  |
| Residence Address                   | Residence Phone |
| City, State, & Zip Code             |                 |
| Business Name of Applicant/Borrower |                 |

| Assets (omit cents)   |           | Liabilities (omit cents)                                   |           |
|---|-----------|--|-----------|
| Cash on hand in banks   | \$        | Accounts Payable   | \$        |
| Savings Accounts  | \$        | Notes Payable to Banks & Others<br>(Describe in Section 2) | \$        |
| IRA or other retirement account                                   | \$        | Installment Account (Auto)<br>Monthly payments             | \$<br>\$  |
| Accounts & Notes Receivable                                       | \$        | Installment Accounts (other)<br>Monthly payments           | \$<br>\$  |
| Life Insurance-Cash Surrender<br>Value Only. (Complete Section 8) | \$        | Loan on Life Insurance                                     | \$        |
| Stocks and Bonds<br>(Describe in Section 3)                       | \$        | Mortgages on Real Estate<br>(Describe in Section 4)        | \$        |
| Real Estate<br>(Describe in Section 4)                            | \$        | Unpaid Taxes<br>(Describe in Section 6)                    | \$        |
| Automobile-Present Value  | \$        | Other Liabilities<br>(Describe in Section 7)               | \$        |
| Other Personal Property<br>(Describe in Section 5)                | \$        | <b>Total Liabilities</b>                                   | \$        |
| Other Assets<br>(Describe in Section 5)                           | \$        | <b>Net Worth</b>   | \$        |
| <b>Total</b>  | <b>\$</b> | <b>Total</b>   | <b>\$</b> |

| Section 1. Source of Income    |    | Contingent Liabilities           |    |
|--------------------------------|----|----------------------------------|----|
| Salary                         | \$ | As Endorser or Co-Maker          | \$ |
| Net Investment Income          | \$ | Legal Claims & Judgments         | \$ |
| Real Estate Income             | \$ | Provision for Federal Income Tax | \$ |
| Other Income (Describe below)* | \$ | Other Special Debt               | \$ |

**Description of Other Income in Section 1.**

|  |
|--|
|  |
|  |
|  |
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\*Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income

**Section 2. Notes Payable to Bank and Others** (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

| Name and Address of Noteholder(s) | Original Balance | Current Balance | Payment Amount | Frequency (monthly, etc.) | How Secured or Endorsed Type of Collateral |
|-----------------------------------|------------------|-----------------|----------------|---------------------------|--|
|                                   |                  |                 |                |                           |  |
|                                   |                  |                 |                |                           |  |
|                                   |                  |                 |                |                           |  |
|                                   |                  |                 |                |                           |  |

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|--|--|--|--|--|--|
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|--|--|--|--|--|--|

**Section 3. Stocks and Bonds** (Use attachment if necessary. Each attachment must be identified as a part of this statement and signed).

| Number of Shares | Name of Securities | Cost | Market Value Quotation/Exchange | Date of Quotation/Exchange | Total Value |
|------------------|--------------------|------|---------------------------------|----------------------------|-------------|
|                  |                    |      |                                 |                            |             |
|                  |                    |      |                                 |                            |             |
|                  |                    |      |                                 |                            |             |
|                  |                    |      |                                 |                            |             |

**Section 4. Real Estate Owned** (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed).

|                                   | Property A | Property B | Property C |
|-----------------------------------|------------|------------|------------|
| Type of Property                  |            |            |            |
| Address                           |            |            |            |
| Date Purchased                    |            |            |            |
| Original Cost                     |            |            |            |
| Present Market Value              |            |            |            |
| Name & Address of Mortgage Holder |            |            |            |
| Mortgage Account Number           |            |            |            |
| Mortgage Balance                  |            |            |            |
| Amount of Payment per Month/Year  |            |            |            |
| Status of Mortgage                |            |            |            |

**Section 5. Other Personal Property and Other Assets** (Describe, and if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment and if delinquent, describe delinquency)

|  |
|--|
|  |
|--|

**Section 6. Unpaid Taxes.** (Describe in detail, as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)

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**Section 7. Other Liabilities.** (Describe in detail.)

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|  |
|--|

**Section 8. Life Insurance Held.** (Give face amount and cash surrender value of policies – name of insurance company and beneficiaries)

|  |
|--|
|  |
|--|

I authorize Lender to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan.

|            |       |                         |
|------------|-------|-------------------------|
| Signature: | Date: | Social Security Number: |
|------------|-------|-------------------------|

|            |       |                         |
|------------|-------|-------------------------|
| Signature: | Date: | Social Security Number: |
|------------|-------|-------------------------|



## AUDIT FORMAT

### Energy Efficiency Improvements Loan Program

Each financing request submitted to this program must have an analysis of the project's energy impact. Depending upon the scope and cost of the project, that analysis may be done by utility auditors, certified energy managers or licensed engineers. While a comprehensive energy audit will normally be required, some loans may be approved based on a detailed study of the proposed measure(s).

**(Note: There is an important exception to the audit requirement. If the loan request is for no more than \$25,000 and is only for measures eligible for utility rebate programs or endorsement, then a written statement of acceptance by the utility can be used in lieu of the audit outlined below.)**

In general, the analysis should be site-specific and provide sufficient data for the applicant to determine that a proposed project will meet its needs in a cost-effective manner. That responsibility cannot be shifted to any other party.

In some cases, it may be more efficient to develop technical data in multiple stages. A preliminary review may prompt a more detailed analysis. That in turn may justify a decision to design a project. This approach could help avoid the extra expense of a comprehensive study/design that does not result in a viable loan request. If a loan is approved, the project budget can include reimbursement for these types of expenses.

The methodology of the project analysis should meet appropriate professional and industry standards, such as those outlined in the Handbook of Energy Audits, by Albert Thumann, P.E., C.E.M. SAFE-BIDCO's review and evaluation of the analysis is for loan purposes only and should not be considered a validation or guarantee of any technology, proposed project, cost estimate, energy savings value, or future energy costs.

Specifically, the technical report should cover the following areas:

- 1) Situation report -- Give a narrative description of the building/facility, its energy system(s) and usage, and activity profile.
- 2) Potential projects -- Provide general information on all potential energy costs saving opportunities.
- 3) Technical analysis -- Giving consideration to the interactions among the proposed measures and other energy systems:
  - a) Estimate the annual energy and energy costs savings (using current energy prices) expected from each measure identified in 2.
  - b) Calculate all direct and attendant indirect costs of each measure.
  - c) Rank proposed measures by cost-effectiveness (b/a).
  - d) Explain the elimination of any measure with a higher ranking than those detailed in 4 and/or 5.
- 4) Project description -- Give a narrative summary of the proposed project and its ability to provide needed benefits, including a discussion of project reliability and durability. (See item 5 for cogeneration projects)
  - a) Provide primary specifications for critical components.

- b) Provide drawings of project layout, including any related structural or system changes.
  - c) Document baseline data compared to projected consumption, together with any explanatory notes. When appropriate, show before-and-after data in terms of consumption per unit of production, time or area. Include at least one year's bills for those energy sources/fuel types affected by this project. Also submit utility rate schedules, if appropriate.
  - d) Identify significant changes in future related operations and maintenance costs.
  - e) Identify zoning and building code issues and required permits and licenses.
- 5) Cogeneration Projects -- Due to the unique aspects of cogeneration, the following project description format should be used for cogeneration applications. (Answers to the following questions must be included in or supported by an independent analysis and report which must be submitted with this application.)
- a) List of major uses of gas and electricity at the project site.
  - b) Electricity and gas use load profile information sufficient to evaluate how much of the electric and thermal energy to be produced will be used on site.
  - c) Existing water heater or boiler efficiencies.
  - d) Cogeneration equipment list and budget breakdown.
  - e) Equipment specifications for electric output, thermal production, and fuel consumption. (Include related manufacturer's brochures.)
  - f) Parasitic electric load consumption estimates.
  - g) Layout, mechanical and electric 1-line drawings, if available.
  - h) Annual energy uses (gas and electric) with and without cogeneration. (See item 4c above)
  - i) Cash flow projections showing O & M, displaced electric energy and demand costs, power sales, displaced gas costs, fuel costs, and standby charges.
  - j) Information on the status of any required Air District Permits as well as 4e above.
  - k) References for the major equipment supplier and contractor.

SAFE-BIDCO may require additional data as part of the review process. Audit reports should contain appropriate certifications by the analyst. Project auditors will normally be asked to verify project completion before any funds are released.